

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE)
WHOLESALE WATER SERVICE RATES OF) CASE NO. 98-261
THE CITY OF BEATTYVILLE, KENTUCKY)

ORDER

On November 23, 1998, the City of Beattyville, Kentucky ("Beattyville") submitted proposed revisions to its existing rates for wholesale water service to public utilities. Beattyville has not proposed an effective date for these revisions. Southside Water Association, a wholesale customer of Beattyville, has requested that the Commission investigate the proposed rate revisions.

Having considered the proposed rate revisions and being otherwise sufficiently advised, the Commission finds that, pursuant to KRS 278.190, further proceedings are necessary to determine the reasonableness of the proposed rate revision. The Commission further finds that Southside Water Association has a special interest in this proceeding which is not otherwise adequately represented and that its intervention is likely to present issues or to develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting this proceeding.

IT IS THEREFORE ORDERED that:

1. A formal investigation into Beattyville's proposed rate revision is hereby opened.

2. Within 30 days of the date of this Order, Beattyville shall submit the information required by 807 KAR 5:001, Section 10. To the extent that Beattyville considers any of the requirements of this regulation to be onerous or inapplicable, it may petition for a deviation from them.

3. Beattyville shall not place the proposed rate revisions into effect without 30 days written notice to the Commission.

4. Southside Water Association is granted leave to intervene in this proceeding.

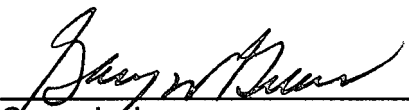
5. Any party filing testimony, exhibits, pleadings, correspondence or any other documents with the Commission shall serve a copy of such documents on Southside Water Association submitted by parties.

Done at Frankfort, Kentucky, this 22nd day of December, 1998.

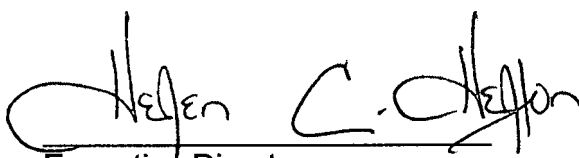
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director